GRAIN TRANSPORTATION REPORT

Transportation & Marketing, Agricultural Marketing Service
United States Department of Agriculture

APRIL 10, 2003

TM GRAIN TRANSPORT COST INDICATORS	Truck	Rail	Barge	Ocean Gulf	Ocean PNW
Indicator Value* for 04/10	104	101	79	139	149
Compared to Last Week	↓	↓	↓	↑	↑

*Indicator: Base Year 2000=100; Weekly Updates include Truck=Diesel; Rail=Nearby Secondary Rail Market; Barge=Spot Illinois River Basis; Ocean Vessel based on Routes to Japan

Apr. 25-28	Agricultural Information for the New Millenium: New Crops, Biotechnology and Saving the Past	Champaign, IL	Pat Allen 217-244-2245 (ph) 217-333-0558 (fax) allen2@vivc.edu
May 4-6	North America Rail Shippers Assoc. Annual Mtg.	Washington, DC	202-639-2100 (ph)
May 4-8	World Rail Expo 2003	Dallas, TX	703-241-8514 (ph) 703-241-8589 (fax) home@resa.org
May 5-7	American Feed Association Expo 2003	Minneapolis, MN	703-524-0810(ph) afia@afia.org
May 18-20	2003 World Congress, A New Age In Agriculture Working Together to Create the Future and Disable The Barriers	St. Louis, MO	314-206-3208 (ph) 314-206-3222 (fax)
July 13-18	28th Annual Summer Ports, Waterways, Freight And International Trade Conference	Portland, Oregon	Joey Cambridge 202-334-2000 jcambridge@ngs.edu
July 20-22	U.S. Grains Council, 43rd Annual Board of Directors Meeting; 4th International Grain Marketing Conference And Trade Show	Minneapolis, MN	202-789-0789 (ph) 202-898-0522 (fax) grains@grains.org
July 27-30	America Agricultural Economics Association Annual Meeting	Montreal, Quebec Canada	515-233-3202
Sept. 24-26	National Waterways Conference Annual Meeting	Houston, TX	202-296-4415 (ph) 202-835-3861
Sept. 28-Oct. 3	2003 American Association of Port Authorities (AAPA) Annual Convention	Curacao, Netherlands Antilles	703-684-5700 (ph) 703-684-6321 info@aapa.ports.org

Report is prepared by Deen Olowolayemo, Hooshang Fazel, Johnny Hill and Karl Hacker, Agricultural Economists, Transportation & Marketing, Agricultural Marketing Service, USDA (202) 690-1304. Support provided by Upper Great Plains Transportation Institute, North Dakota State University. This report can be found on the Internet at www.ams.usda.gov/tmd/grain.htm. E-mail comments and questions to Surajudeen.Olowolayemo@usda.gov .

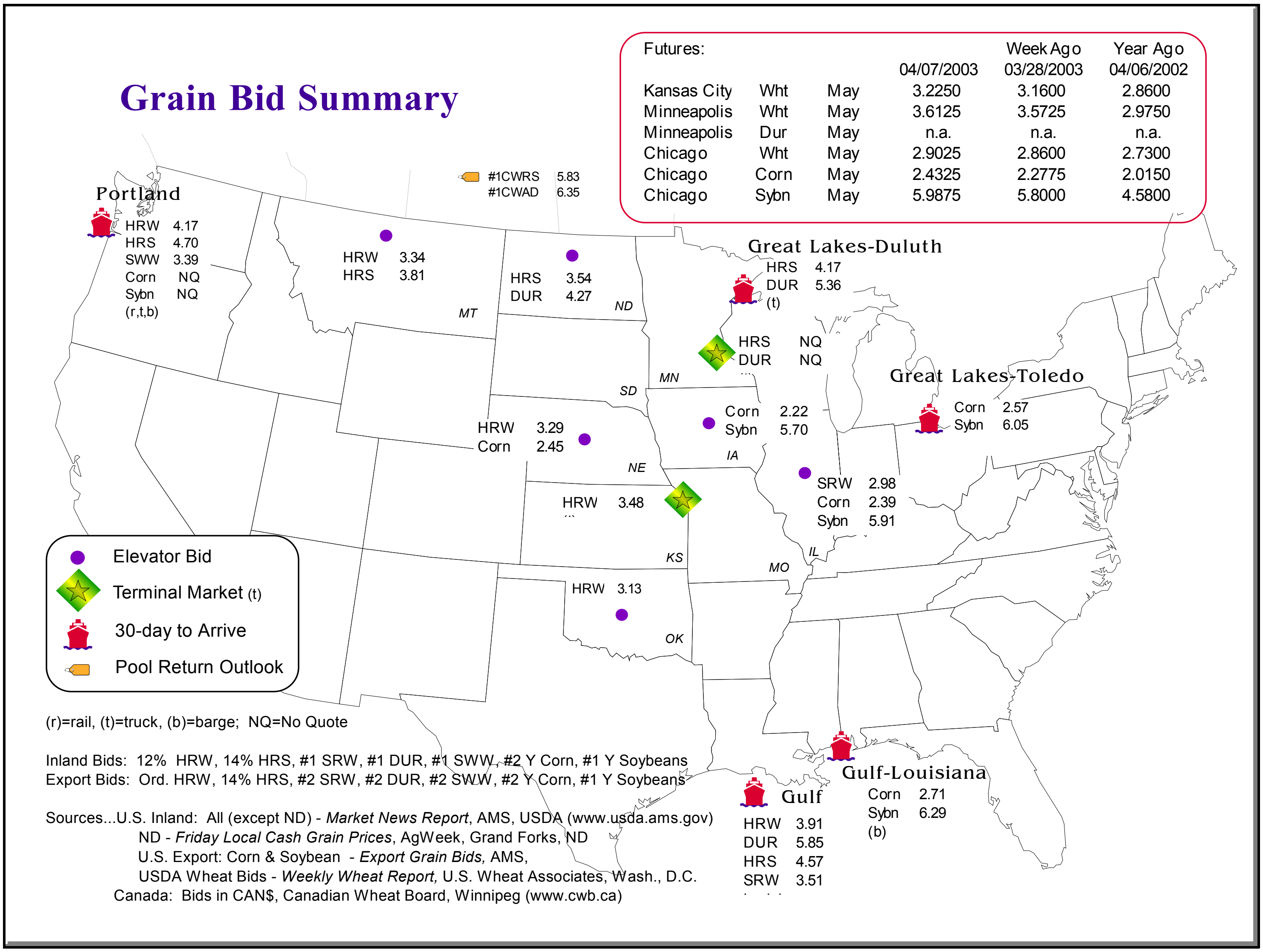
Contents

The Grain Transportation Report is a weekly news source for grain logistics. Detailed data and trend information on five major modes: barge, truck, rail, container, and vessel, provide timely insight into grain transport. The report is offered to policymakers and industry as a tool in day-to-day decision making and longer-term strategic planning for an effective and efficient U.S. grain logistics system.

Market Update: U.S. Origins to Export Position Price Spreads (Per Bushel)

Commodity	Origin--Destination	This week	Last week
Corn	IL -- Gulf	-0.32	-0.34
Corn	NE -- Gulf	-0.26	-0.30
Soybean	IA -- Gulf	-0.59	-0.54
HRW	KS -- Gulf	-0.43	3.41
HRS	ND -- Portland	-1.16	3.55

The **Grain Bid Summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.



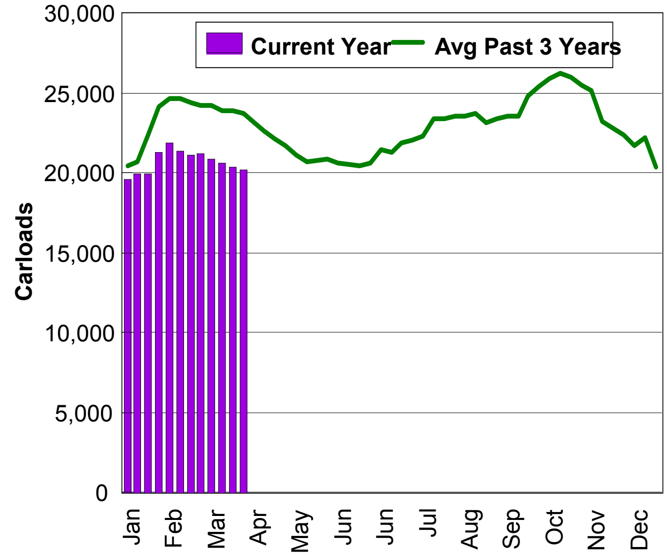
RAIL TRANSPORTATION

Rail Deliveries to Port (Carloads)

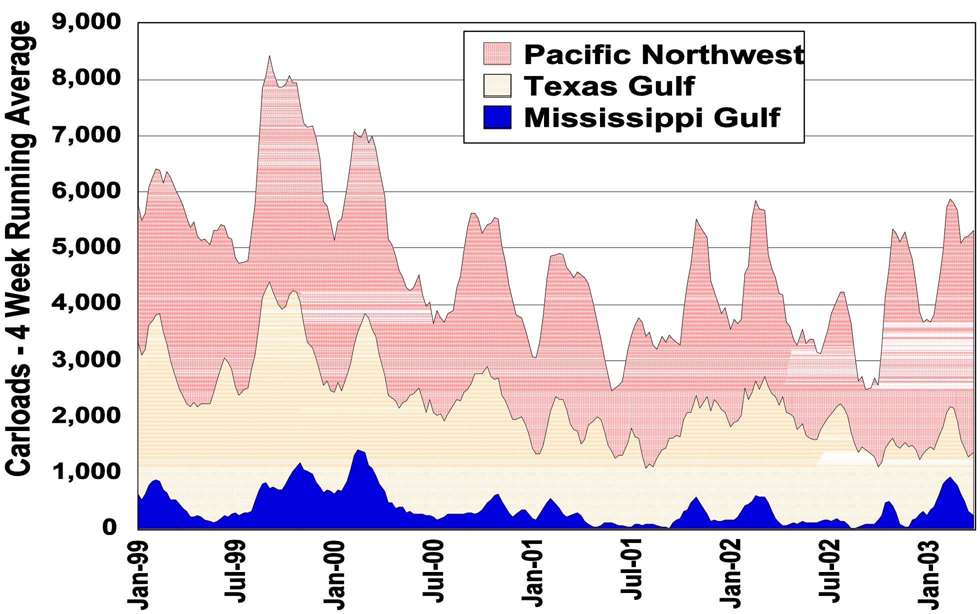
	Mississippi Gulf*	Texas Gulf	Pacific Northwest	Atlantic & East Gulf	Total
Week Ending:					
03/19/03	106	1,536	4,129	305	6,076
03/26/03	198	1,382	4,292	234	6,106
YTD 2003	7,393	14,660	45,678	7,729	75,460
YTD 2002	4,995	25,942	30,523	8,710	70,170
% YTD 2002	148%	57%	150%	89%	108%
Total 2002	11,112	83,799	111,719	21,551	228,181
Total 2001	10,022	81,804	111,376	26,604	229,806

Source: Transportation & Marketing/AMS/USDA; (*) Incomplete Data

Grain Car Loadings for Class I Railroads



Rail Deliveries to Port



Railroads originate approximately 40% of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Class I Rail Carrier Grain Car Bulletin (Grain Carloads Originated and Grain Service Index)

	East		West			U.S. Total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
03/29/03	2,619	3,342	7,948	349	6,430	20,688	4,001	4,071
This Week Last Year	2,650	2,931	5,979	495	7,095	19,150	4,264	2,703
2003 YTD	37,970	42,074	101,743	4,888	85,245	271,920	44,181	44,323
2002 YTD	39,256	41,072	104,252	8,400	88,746	281,726	51,387	47,591
% of Last Year	97%	102%	98%	58%	96%	97%	86%	93%
2002 Total	142,760	164,745	400,179	27,161	344,296	1,079,141	191,835	195,765
U.S. Rail Covered Hopper Cars Online Index*								
March-03	97.0	101.4	94.1	86.0	90.2	94.2		

Source: Association of American Railroads; *Base Year =2001, Index based on Number of Covered Hopper Cars Online (available for Service).

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, $/Car - Last Auction

Delivery for:	May-03	Jun-03	Jul-03
COT/N. Grain	no bid	no bid	no bid
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 1	no bid	no bid	no bid
GCAS/Region 2	no bid	no bid	no bid

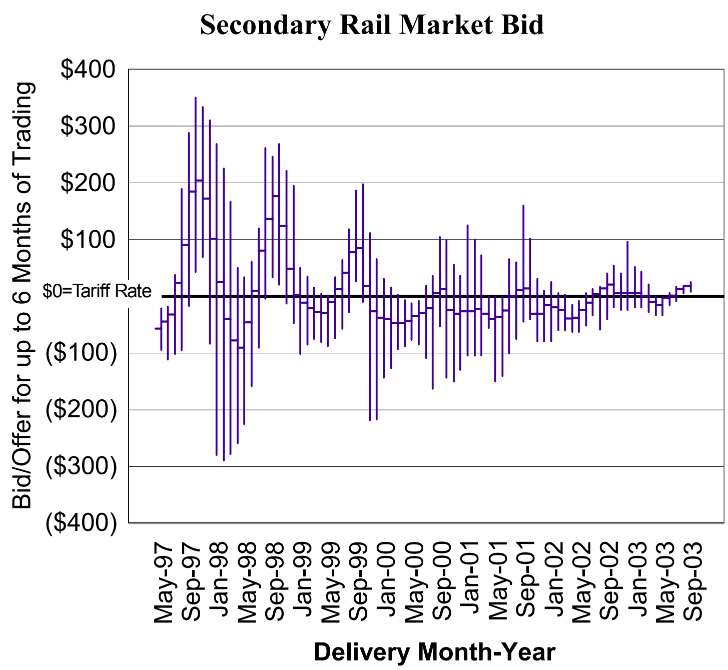
Source: Transportation & Marketing/AMS/USDA.
COT=Certificate of Transportation; GCAS=Grain Car Allocation System

Rail service may be ordered directly from the railroad via **Auction** for guaranteed service or tariff for non-guaranteed service, or through the secondary market. The **Secondary Rail Market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The auction and secondary rail values are indicators of rail service quality and demand/supply.

Secondary Rail Car Market

Average Premium/Discount to Tariff, $/Car - Last Week

	Delivery Period			
	Apr-03	May-03	Jun-03	Jul-03
BNSF-GF	$(8)	$(14)	$(7)	$(4)
UP-Pool	$(2)	$(8)	$0	$6



Tariff Rail Rates for Unit Train Shipments

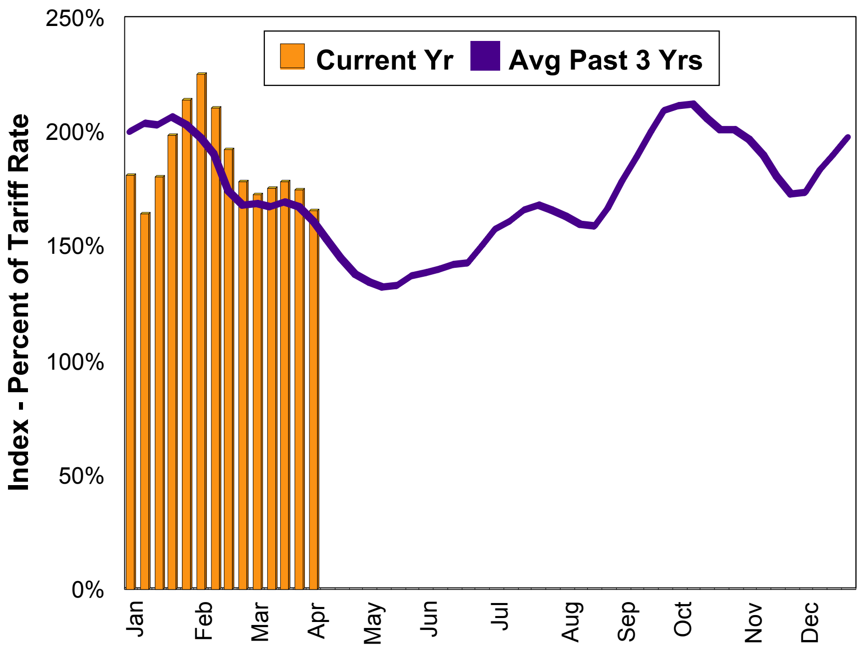
March 2003

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
03/03/03	45560	Wheat	Minneapolis, MN	Houston, TX	$2,050	$22.60	$0.62
03/03/03	43521	Wheat	Minneapolis, MN	Portland, OR	$3,877	$42.74	$1.16
03/03/03	46540	Wheat	Kansas City, MO	Houston, TX	$1,650	$18.19	$0.50
03/03/03	43586	Wheat	Kansas City, MO	Portland, OR	$4,420	$48.72	$1.33
03/03/03	43581	Wheat	Omaha, NE	Portland, OR	$4,005	$44.15	$1.20
03/03/03	31005	Corn	Minneapolis, MN	Portland, OR	$3,050	$33.62	$0.85
03/03/03	31035	Corn	Kansas City, MO	Portland, OR	$2,700	$29.76	$0.76
03/03/03	31005	Corn	Omaha, NE	Portland, OR	$2,850	$31.42	$0.80
03/03/03	61110	Soybean	Minneapolis, MN	Portland, OR	$3,030	$33.40	$0.91
03/03/03	61110	Soybean	Omaha, NE	Portland, OR	$2,780	$30.64	$0.83

Source: www.bnsf.com
Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

BARGE TRANSPORTATION

Illinois River Barge Rate Index - Rate Quotes



The **Illinois River Barge Rate Index** averaged 183% of the Benchmark Tariff Rate between 1999 and 2001, based on weekly market quotes. The **Index**, along with **Rate Quotes** and **Futures Market** bids are indicators of grain transport supply and demand.

Calculating **Barge Rate** Per Ton:
Index × 1976 Tariff Benchmark Rate per Ton

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map below.

BARGE RATE QUOTES: Southbound Barge Freight
Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

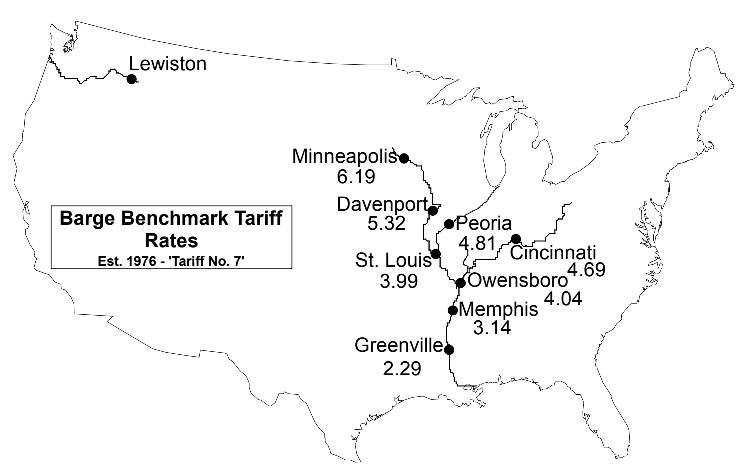
	4/2/03	3/26/03	May '03	July '03
Twin Cities	186	nq	177	189
Mid-Mississippi	154	166	150	166
Illinois River	145	154	145	159
St. Louis	115	126	119	137
Lower Ohio	128	137	129	145
Cairo-Memphis	109	114	114	130

Source: Transportation & Marketing /AMS/USDA
nq=no quote

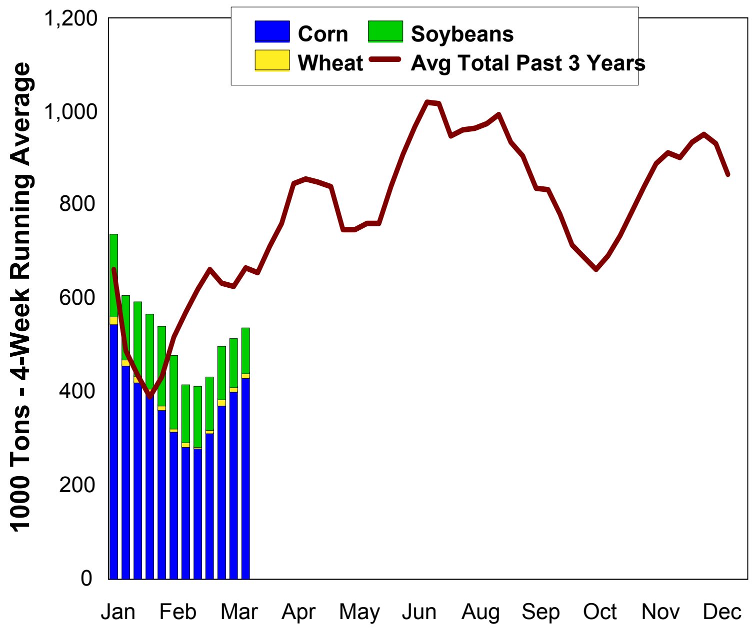
BARGE FUTURES MARKET
Southbound Barge Freight Nominal/Cash Basis Values
Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate Futures	Rate Cash
4/08/03	St. Louis	May	n/a	125
		July	n/a	135
		Sept	n/a	175
		Nov	n/a	155
		Dec	n/a	135
	Illinois River	May	n/a	143
		July	n/a	150
		Sept	n/a	185
		Nov	n/a	175
		Dec	n/a	165

Source: St. Louis Merchants Exchange



Barge Movements on the Mississippi River (Lock 27)



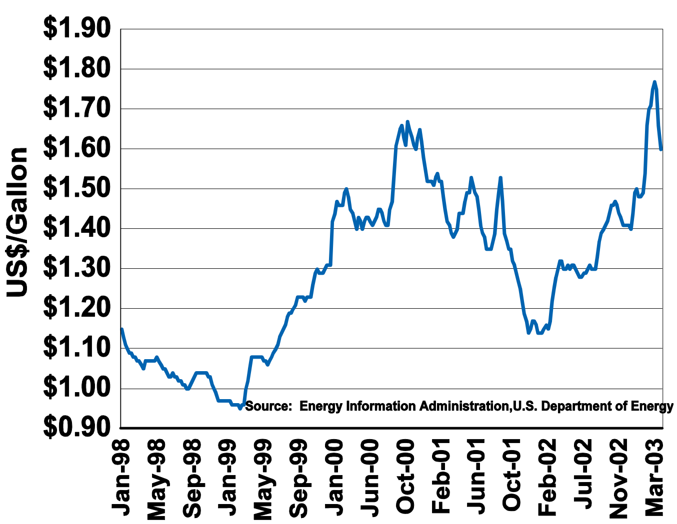
Barge Grain Movements (1,000 Tons)
for week ending 3/29/03

	Corn	Wht	Sybn	Total
Mississippi River				
Rock Island, IL (L15)	95	0	23	118
Winfield, MO (L25)	301	8	68	377
Alton, IL (L26)	620	15	108	749
Granite City, IL (L27)	683	15	111	815
Illinois River (L8)	230	8	26	269
Ohio River (L52)	49	0	20	90
Arkansas River (L1)	0	20	6	25
2003 YTD	5,955	474	2,741	9,490
2002 YTD	7,738	478	2,929	11,699
% of 2002 YTD	77%	100%	94%	82%
Total 2001	31,878	2,679	10,616	47,091

Source: U.S. Army Corp of Engineers,
YTD and Calendar year total includes Miss/27, Ohio/52 and Ark/1.

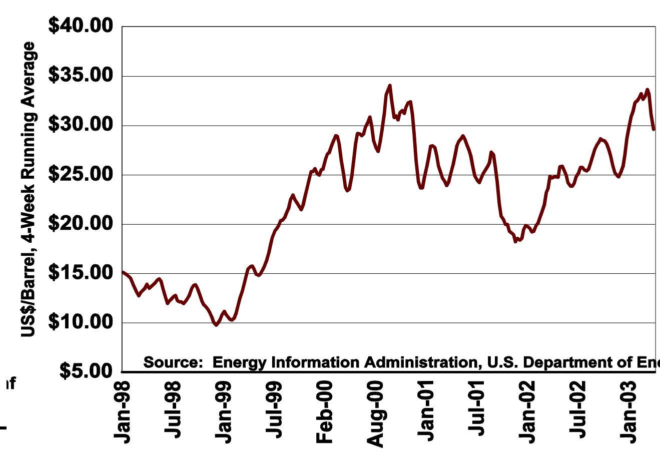
TRUCK TRANSPORTATION

Weekly U.S. Retail Road Diesel Price



The weekly **Diesel Price** provides a proxy for trends in U.S truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37% of the estimated variable cost. **Crude Oil Price** is an indicator in future diesel price trends.

Weekly Brent Crude Price, Friday Close



Crude Oil Prices (04/08/03)

US$ per Barrel	This Week	Last Week	
Light Sweet Crude (NYMEX)	26.67	28.23	↓
Brent Crude	25.08	25.41	↓

Source: www.eia.doe.gov; *U.S. Refiner Crude Acquisition Cost, Composite Domestic & Import

Note: Light Sweet Crude is exchanged on the New York Mercantile Exchange. North Sea oil has a "benchmark" role in crude oil pricing. Brent crude, a blend of North Sea oils, is traded on the International Petroleum Exchange in London.

GRAIN EXPORTS

U.S. Export Balances (1,000 Metric Tons)

	Wheat						Corn	Soybean	Total
	HRW	SRW	HRS	SWW	DUR	All			
03/27/2003	1,095	308	1,094	545	141	3,179	5,841	2,918	11,938
This Week Year Ago	1,213	829	7,112	454	122	3,329	6,788	2,405	12,522
Cumulative Exports-Crop Year									
02/03 YTD	5,887	2,546	5,458	2,989	634	17,515	22,733	23,311	63,559
01/02 YTD	5,140	4,592	4,583	2,658	1,006	19,979	26,090	22,990	69,059
01/02 Total	8,761	5,485	5,582	3,175	1,133	24,135	48,003	29,926	102,064
00/01 Total	9,314	4,445	5,775	5,156	1,130	25,819	47,734	27,567	101,120
99/00 Total	10,629	4,195	5,590	4,055	984	25,453	48,760	26,972	101,185

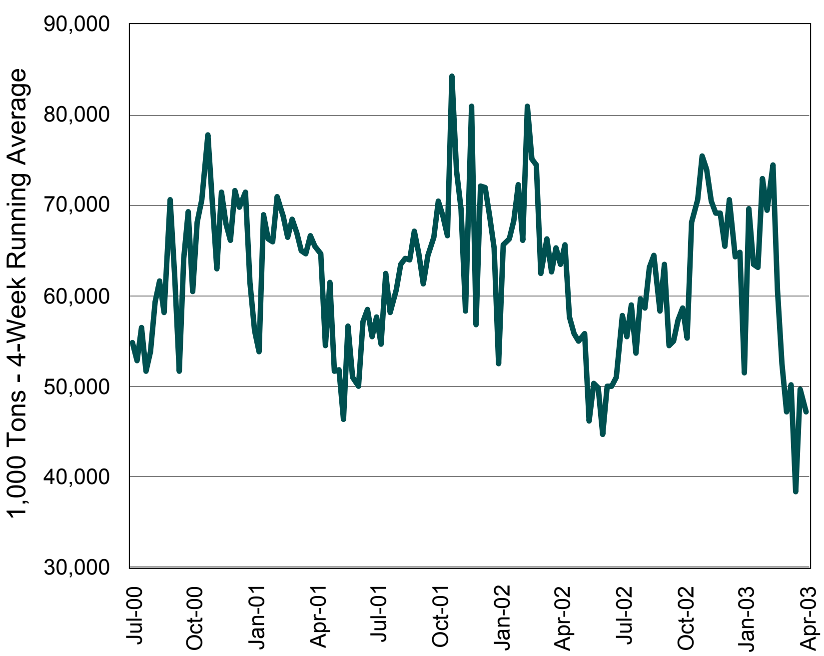
Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov)
Crop Year: Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31

Select U.S. Port Regions - Grain Inspections for Export (1,000 Metric Tons)

	Pacific Region			Mississippi Gulf			Texas Gulf			Port Region Total		
	Wheat	*Corn*	*Soybn*	*Wheat*	*Corn*	*Soybn*	*Wheat*	*Corn*	*Soybn*	*Pacific*	*Mississippi*	*Texas*
04/03/03	157	226	88	29	554	194	131	0	5	472	778	136
2003 YTD	2,185	1,615	1,968	1,328	6,982	7,788	1,157	526	50	5,768	16,097	1,733
2002 YTD	2,530	1,408	939	1,663	9,905	7,289	1,739	63	235	4,877	18,857	2,037
% of 2002 YTD	86%	115%	209%	80%	70%	107%	67%	838%	21%	118%	85%	85%
2002 Total	10,007	5,877	1,639	6,829	34,991	17,996	6,971	468	468	17,523	59,816	7,906

Source: Federal Grain Inspection Service YTD-Year-to-Date

U.S. Grain Inspected for Export



Select Canadian Port Export Inspections
1,000 Metric Tons, Week End Summary

03/27/2003	Wheat	Durum	Barley
Vancouver	60		
Prince Rupert	23	2	
Prairie Direct	11		0
Thunder Bay			
St. Lawrence	3,254	1,730	256
2001/02 YTD	8,525	2,201	694
2002/03 YTD	3,348	1,732	256
% of Last Year	255%	127%	271%

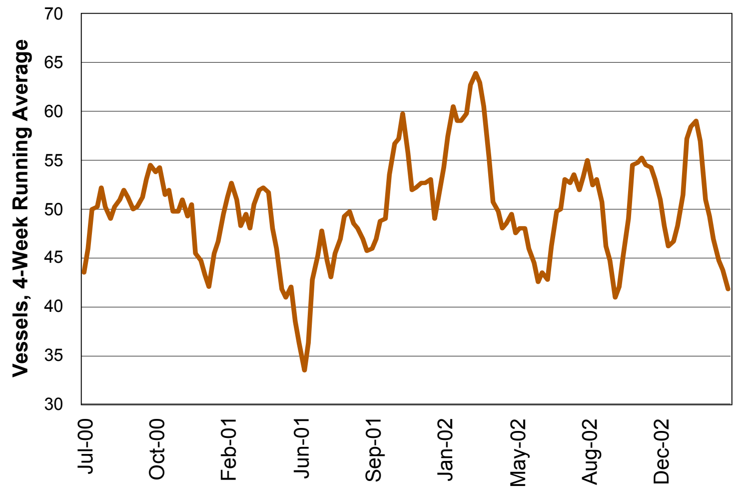
Source: Canadian Grains Commission, Crop Year 8/1-7/31

Port Region Ocean Grain Vessels

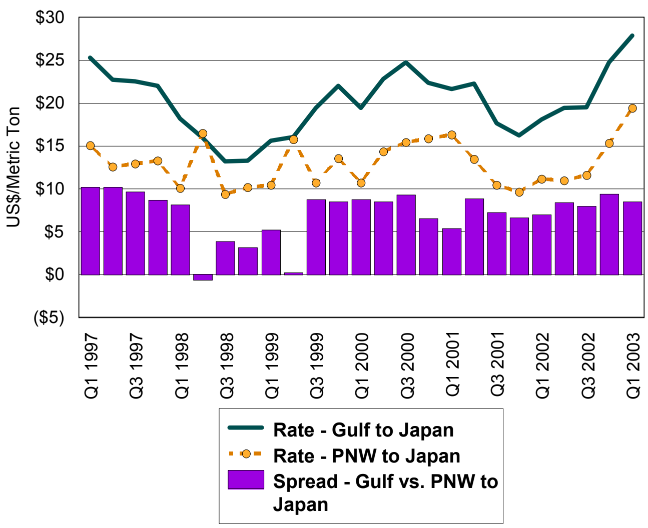
	Gulf			Pacific Northwest	Vancouver B.C.
	In Port	Loaded 7-Days	Due Next 10-Days	In Port	In Port
03/27/03	27	41	58	12	4
04/03/03	19	40	50	9	4
2002 Range	(15..55)	(33..66)	(44..82)	(3..15)	(0..12)
2002 Avg	35	51	65	8	5

Source: Transportation & Marketing /AMS/ USDA

Gulf Port Region Grain Vessel Loading
Past 7 Days



Grain Vessel Rates to Japan



Quarterly Ocean Freight Rates
Average Rates & Percentage Changes, U.S. Dollars/Metric Ton

	2003 1st Qtr	2002 1st Qtr	% Change		2003 1st Qtr	2002 1st Qtr	% Change
Gulf to				**Pacific NW to**			
Japan	$27.91	$18.25	53%	Japan	$19.43	$11.31	72%
Mexico	-	$31.49	-				
Venezuela	$15.00	-	-				
				Argentina/Brazil to			
N. Europe	$14.50	$10.67	36%	Med. Sea	$25.35	$17.85	42%-
N. Africa	-	$17.58	-	N. Europe	-	$13.48	-
Med. Sea	$14.50	$10.97	32%	Japan	-	$25.59	-

Source: Transportation & Marketing/AMS/USDA

Ocean Freight Rates for Selected Shipments - week ending 4/5/03

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate ($Ton)
PNW	Taiwan	Heavy Grain	Jun 5/15	54,000	$17.25
PNW	Taiwan	Heavy Grain	Apr. 15/25	56,000	$18.00
Brazil	Egypt	Heavy Grain	Apr. 10/20	60,000	$24.25
Brazil	Tunisia	Heavy Grain	Apr. 1/5	25,000	$29.00
Germany	Turkey	Wheat	Apr. 1/10	50,000	$13.90
Brazil	Iran	Heavy Grain	Apr. 1/10	60,000	$33.50
U.S. Gulf	Jordan op Iraq	Wheat	Mar. 31/Apr. 1	28,000	$49.50op$64.50*
U.S. Gulf	Jordan op Iraq	Wheat	Mar. 31/Apr. 1	28,500	$58.80op$83.80*

Source: Maritime Research Inc.

Rates shown are for metric ton (2,204.62 lbs.=one metric ton), F.O.B., except where otherwise indicated; op=option

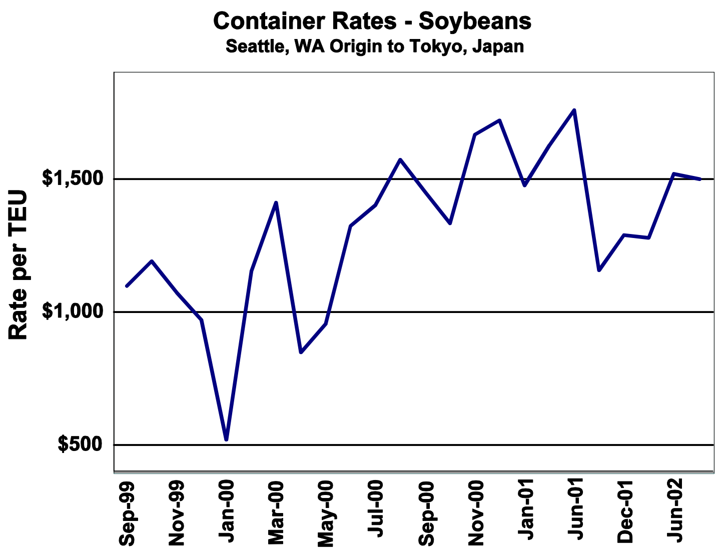
*Most food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are of limited availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.

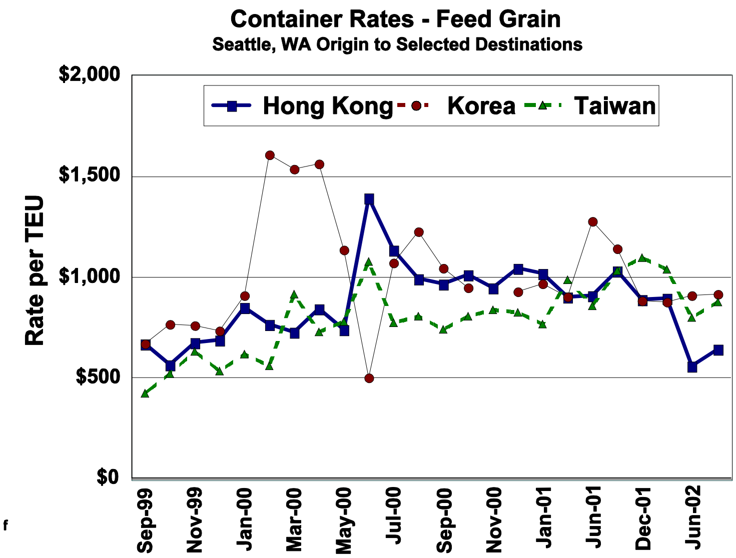
CONTAINER

Container Ocean Freight Rates

Average Rate per TEU, Weighed by Shipping Line Market Share

Source: Transportation & Marketing/AMS/USDA, Quarterly Updates





Approximately 420,000 MT of grain and oilseed exports were marketed via container in 2001. This volume increased 26% compared to 1997.